

WEATHER FORECAST.
Showers to-day and to-morrow. Moderate temperature.
Highest temperature yesterday, 79; lowest, 65.
Detailed weather reports on editorial page.

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PRICE TWO CENTS.

WIRES HANDED BACK; POSTAL REDUCES RATE

Cuts Charge a Fifth, Dropping Increase Burleson Imposed.

MAY BE TEMPORARY
Carlton Says Western Union Is Unable to Do Likewise at Present.

RIVAL CHIEFS BITTER

New York Is Promised Better Telephone Service by Local Company.

The telegraph and telephone wires of the United States passed from governmental control back to their private owners at 12 o'clock last night.

The New York Telephone Company, the Western Union and the Postal Telegraph Company issued statements last night dealing with the resumption of private control. Clarence H. Mackay, president of the Postal system, announced that his company had made a 20 per cent. cut in telegraph rates all over the United States, thus restoring the rates to what they were before the war. At the same time, however, he indicated that this reduction would be only temporary, stating that if taxes and expenses continue to increase it will be necessary to restore the rates established by the Government.

The statement by Newcomb Carlton, president of the Western Union, said that in view of present conditions that company would not reduce rates, as it was unable to do better than it is doing at present.

Mr. Mackay's Statement.

Mr. Mackay said: "In accordance with its promise to the public, the Postal Telegraph-Cable Company at midnight to-night will reduce telegraph rates throughout the United States 20 per cent. by cutting off the 20 per cent. increase which Postmaster-General Burleson put into effect April 1, including leased wire rates, and restoring rates to what they were before Mr. Burleson raised the rates. In doing so, we wish to state that if taxes and expenses continue to increase it will be necessary for the company to ask the indulgence of the public in again advancing telegraph rates for the whole or a part of this 20 per cent.

"In order to continue to give fast service at present rates on interstate night telegrams we will not be disturbed for the present. We expect to reduce these rates a little later.

"The return of the wires to-night to their owners marks the end of an epoch and of this company's fight against a powerful effort by the Postmaster-General and our opponents, the Bell Telephone-Western Union Companies, to eliminate the competition of the Postal Telegraph-Cable Company. It was a fight against heavy odds, but we have won the wholehearted support of the public and the press, and for this I am deeply grateful."

Mr. Carlton's Statement.

The statement by Mr. Carlton said: "The Western Union wires reach 22,325 communities. The only other telegraph system reaches 1,700 communities, leaving the Western Union with the number served by the Western Union. The offices in over 20,000 small communities exclusively served by our wires are scattered throughout the country at large and must be maintained. If the Western Union restricted its business to those communities only between which service is profitable, then some 20,000 places would be left without service, and the public would have no telegraph service whatever.

"We feel that the public is primarily interested in the adequacy of telegraph service. Having in mind the greatly increased cost of everything that enters into that service, it is hoped that the telegraph using public will consider the adequacy of the service and the liberality of treatment of employees of a company that undertakes to reduce rates at this time.

"In the light of these facts we cannot see our way clear to do any better than we are doing at this time. We shall strive to pay our employees a fair wage, to maintain a high standard of living, and to ask a moderate and wholly defensible income and strive to serve the whole public efficiently and satisfactorily."

Mr. Carlton's statements referring to the Postal were answered in a later statement issued by Edward Reynolds, vice-president and general manager of the Postal. Mr. Reynolds declared that a large percentage of the offices which the Western Union operates in places not reached by the Postal are railroad stations, maintained by the railroad, which gets only a certain amount of free telegraph service from the railroad. He declared that the cities and towns which both the Postal and the Western Union operate in are served by the telegraph business, and that Mr. Carlton's implied assertion that the Postal does not give real competitive service is merely capricious.

The New York Telephone Company in its statement reviewed the situation during the war, and declared that while the system was properly handled, the Government had taken over the property and the company was not the same property taken over on August 1, 1918.

CONFIRMS DUNLAP SALE.

Knox Co. President Admits Absorption of Hat Retail.

Fletcher H. Montgomery, president of the Knox Hat Company, yesterday confirmed the purchase of the Dunlap & Co. interests from Allan A. Ryan of Allan A. Ryan & Co., bankers and brokers, who acquired control of the company about the middle of May.

Mr. Montgomery said the two trade names, "Knox" and "Dunlap" will be maintained, but that it was too early to say just what organization will be formed to take care of the interests of the two companies.

London Police Strike; to Fight Anti-Strike Bill

LONDON, Aug. 1.—An immediate strike of the London police was decided upon last night at mass meetings held at various places.

The grievance of the police is the bill before Parliament reorganizing the department. This provides for the organization of a police union, but prohibits it from affiliating with labor unions, and prohibits policemen from going on strike under any circumstances, with heavy penalties. Early this morning very few policemen had responded to the strike call. The night patrolmen start their shift at 10 o'clock, and all but a small number of them, which the authorities describe as negligible, went on duty to remain on their posts throughout the night.

\$80,000,000 FOR 100 STEEL SHIPS

Shipping Board Sells Fleet of Coal Burning Cargo Steamships at Good Price.

LAKE TYPE CONSTRUCTION

New York Broker Said to Have Closed Deal for French and Italian Account.

WASHINGTON, July 31.—The Shipping Board closed to-day the largest sale of steamships ever recorded. Under its terms a fleet of 100 coal burning cargo steamships is to be turned over to J. Herbert Anderson of 165 Broadway, New York. It is understood that they were bought for French and Italian account.

The ships sold are all of the smaller steel cargo type, built to meet war emergency and are known as the lake type ships, built on the great lakes. Construction of this type and size of vessel for the Shipping Board has been halted. The price aggregates about \$80,000,000, the vessels selling for \$210 a ton, which is regarded by Shipping Board officials as a good price.

The Government averaged a profit of \$20 a ton on the sale of the ships, the cost being about \$190 a ton. This represents a total profit to the Shipping Board of slightly less than \$8,000,000.

The largest of the ships to be turned over is a 2,600 deadweight tonnage ship of a type that the board has had on the market along with those of 2,400 gross tons. Mr. Anderson, the purchaser, represents the Anderson Overseas Corporation.

The vessels are to be delivered at Atlantic ports at the rate of six a week, beginning August 10. The delivery ports under the agreement cannot be north of Boston or south of Hampton Roads.

The buyer made the following agreement under the terms of sale: "To insure each vessel at a value not less than the balance remaining unpaid to the board, the underwriters insuring the vessels to be satisfactory to the board and policies to cover fire and theft, and to pay the balance of the purchase price, less the value of the insurance, to the board, the balance to be paid to the buyer."

"To keep each vessel free from liens arising from operating expenses and repairs in so far as that is practically possible, the buyer agreeing that no bills shall be allowed to run over 30 days after they are rendered and payable, and to maintain her class with right to the books of the buyer or of the actual operator to check performance hereunder."

"To keep each vessel with right to the Shipping Board to inspect each vessel."

J. Herbert Anderson is president of the Anderson Company, a shipping firm with offices in 165 Broadway. He lives in 645 West End avenue, but could not be reached last night.

MORTON F. PLANT'S ESTATE \$33,000,000

Connecticut to Get \$1,000,000 as Inheritance Tax.

HARTFORD, July 31.—The State's inventory of the estate of Morton F. Plant of New York and New London has been completed, and it was announced to-night, following a conference between counsel for the Plant estate and the State of Connecticut, and it will be filed in New London probably this week.

The inventory places the value of the estate at \$33,000,000. The State will receive nearly \$1,000,000 as inheritance tax and the Federal tax will be larger.

Among the holdings listed are: Atlantic Coast Line Railway bonds, \$2,500,000; Standard Oil stocks, \$1,600,000; United States Steel stocks, \$1,600,000.

\$16,000 in GEMS STOLEN.

Watch Hill Home of C. Dia Lihme Entered by Day.

PROVIDENCE, R. I., July 31.—Diamonds, pearls, sapphires and other precious stones valued at more than \$16,000 were stolen from Norman Hall, the palatial summer home of C. Dia Lihme of New York, at Watch Hill, Tuesday. It was learned to-night. Although Mr. Lihme and his family were at home all day, the theft was not discovered until yesterday morning. The articles stolen and their value, as reported by Sheriff Wilcox are as follows:

Bracelet set with diamonds, \$8,000; two pearl studs, \$2,500; one pearl earring, \$1,500; gold and platinum mesh watch chain, \$1,000; large sapphire set in circle at the opening, \$600; bar pin set with diamonds and black onyx, \$1,500; circle pin set with diamonds in platinum, with filigree in Greek design, \$500.

NEW LOAN PLAN FOR WALL ST. AS MONEY GOES UP

Top Figure in Stock Exchange Is 18 Per Cent.; 1919 Record There.

RATE AT 20 PER CENT.

Figures Reach 18 Per Cent. in Exchange, High Mark There for 1919.

CALLS COME FROM WEST

More Serious Credit Situation Is Feared by Some Financial Experts.

Plans are under way for a reorganization of the lending machinery of Wall Street, it was learned yesterday. Action has been hastened by the continued wide fluctuations in the rate for time money, together with the tightening of credit which has become apparent in the last few days.

Under the new plan, it is said, a committee is to be appointed consisting of representatives of the New York Clearing House and of the New York Stock Exchange. This committee will be in itself a clearing house for loans as well as an allocation medium for available funds. A secretary will be appointed by the committee and this secretary will take a position on the floor of the New York Stock Exchange, where he will receive from the banks statements as to the amounts available for stock exchange loans, and from the members of the exchange statements as to their needs in the way of money.

Then the secretary will make an allocation of the funds made available from the banks among the various brokers, filling their requests wherever possible. This plan will be continued in effect until the Stock Clearing Corporation takes up its function late in the year.

At least two conferences have been held within the last few days between representatives of the Stock Exchange and representatives of the banks at which the credit situation was thoroughly discussed and the necessity of allocating available funds was determined upon.

Officials of the New York Stock Exchange have not yet made any formal announcement of the plan, but it is believed that something in the way of an official statement will be forthcoming early next week, if not to-day. The principal reason assigned for this step is the belief among bankers that the credit situation, as far as the immediate future is concerned, will become worse instead of better.

An official of the Federal Reserve Bank of New York said yesterday that there is every prospect that money is to be tighter and the credit supply is to be reduced. He said that the demand for money has not yet been reached notwithstanding that the supply must continue to be less and less.

Money Skyrockets to 20 Per Cent.

With heavy calling of loans by big banks in New York as well as by interior institutions the money market yesterday became violent once more in its fluctuations and after a calm and steady opening at 4 per cent. for mixed collateral and 5 1/2 per cent. for all industrial collateral, it skyrocketed upward during the afternoon to a top figure of 20 per cent. The highest official record of loans on the floor of the New York Stock Exchange was 18 per cent. The closing loan rates being recorded at that point for both classes of call loans. Outside loans were made, however, as high as 20 per cent., and it is not unlikely that an even greater rate was obtained in some obscure places.

Various reasons were assigned for the calling of loans which brought about this tremendous jump. Interior banks are said to have called for large portions of the money which they have been lending here in the bull market for the purpose of crop movement. These interior banks are said to have been attracted by the better rates obtainable here compared with the West and middle West, and said to have called for large portions of the money which they have been lending here in the bull market for the purpose of crop movement.

The \$65,000,000 Canadian Government notes and the debentures of a little more than \$30,000,000 of the American Foreign Securities Corporation, which fall due to-day, were also blamed to some extent for the flurry in rates. In addition there is well over a million of the new 4 per cent. bonds due to-day to be lent on Stock Exchange collateral. Any concerted calling by these institutions therefore could not be without its effect on the call money rates.

In the stock market the high money rates had the effect of depressing security prices to a considerable degree. Closing quotations on the stock market were lower than the high money rates had the effect of depressing security prices to a considerable degree. Closing quotations on the stock market were lower than the high money rates had the effect of depressing security prices to a considerable degree.

It is felt that it had made its position clear in previous utterances against undue speculation on stocks. Traders were somewhat divided on the interpretation of this statement, some holding that it meant that the Federal Reserve Board had done all it intended to do to curb speculation, while others took the view that the board was merely marking time—awaiting whatever effects its previous statements against speculation may have.

Fast and Wide Rate Jumps.

The fluctuations of the money rate during the last minutes of the Stock

Continued on Sixth Page.

WILSON ACTS TO END PROFITEERING; CONGRESS SEEKING TO CUT COST OF LIVING; SALE OF ARMY SUPPLIES TO PUBLIC RUSHED

NO INDEMNITY, WILSON DECREE

Acted on Own Responsibility, It Is Disclosed at Open Hearing on Treaty.

ALL CREDIT RIGHTS LOST

American Citizens Have No Property Redress Under Treaty Provisions.

Special Despatch to THE SUN.

WASHINGTON, July 31.—Open hearings on the peace treaty, the League of Nations covenant and the Franco-American alliance began to-day before the full sitting of the Senate Foreign Relations Committee. The first witnesses to appear were Bernard Baruch of New York, lately financial adviser to the American delegation to the peace conference, and Bradley Palmer, a Boston lawyer of prominence who had assisted the peace commission as a legal adviser.

The hearings were not remarkable for any brilliant or striking disclosures of facts not heretofore quite well known to the American public, but two points stood out with prominence from the rest of the dry as dust discussion of technicalities and interpretations of the often hazy language of the peace pact.

These points were: The indemnity which Germany must pay to her late antagonists of the Entente Alliance will not be participated in by the United States; commercial readjustments between citizens of the United States and nationals of the German Republic may now be undertaken on a pre-war basis and debts incurred in the pre-war period become henceforth subject to settlement in the same fashion and under identical terms as those prevailing in 1914 and before.

Wilson Barred Indemnity.

The decision that America should not participate in the sharing of Germany's stupendous indemnity contribution was made by President Wilson himself. Mr. Baruch told the Senators, a fact which created no little sensation among the committee members. And Mr. Baruch said that for the reason of America's non-participation in the indemnity the German indemnity amount which might justly be due the United States out of the war damage fund was not discussed by the committee experts at Paris.

The vague language of Section 237 of the peace treaty with Germany was responsible for the intrusion of this subject at the hearings. It should have been clear that the treaty was not intended to be a claim on Germany. Section 237 stated that the payment of the indemnity was to be made by the German Government to the United States and associated powers according to a proportion agreed on in advance.

The proportion to be allotted to each participating nation had not been decided. Mr. Baruch said, when he left Paris and that he had taken no interest in this question, knowing that the United States would not share. The fact that the committee there was a possibility that the translation from French to English of Section 237 had been erroneous and that the proportionate distribution should be on a basis to be decided later instead of in advance.

Wilson's Authority Questioned.

The question of the entire right of President Wilson to make with apparent free hand a decision that the United States would not be a participant in the indemnity of Germany's damage fund was raised by Senator Knox (Pa.) indirectly. Senator Knox asked Mr. Baruch if he remembered who made the decision as to the indemnity to be paid the United States by the Government of China subsequent to adjustment of damages incurred in the Boxer uprising of 1900.

The next question taken up was the system of disposing of the property of enemy aliens proposed in the peace treaty. Mr. Baruch explained there had been two systems proposed. One known as the clearing house system had been adopted by the Governments of Great Britain and France, but this was not acceptable to the United States.

By American plan adhering to the French and British plan American citizens are now free to undertake the collection of debts due them from German sources and to pay debts owed to the former subjects of the Kaiser, while disputed items of such account may be adjusted before a mixed commission. At this juncture Mr. Palmer was called to the stand to elucidate in legal terms the questions before the committee.

Status of American Creditors.

Mr. Palmer was asked to set forth the exact status of American creditors of German individuals, firms and corporations. He said that American sources and to pay debts owed to the former subjects of the Kaiser, while disputed items of such account may be adjusted before a mixed commission. At this juncture Mr. Palmer was called to the stand to elucidate in legal terms the questions before the committee.

Referring to Senator Borah's contention that for the Senate to approve the Shantung settlement would be to sanction a dishonorable transaction the newspaper says "this argument holds equally good in the case of the French Parliament."

Continued on Fourth Page.

Peace Treaties Become Law in Great Britain

LONDON, July 31.—Royal assent was given to-day to the German peace treaty and to the Anglo-French treaty, which thus became law.

U. S. INSISTS ON FREEDOM OF SEA

America Opposes Plan to Permit British Warships to Stop Merchantmen.

Special Despatch to THE SUN.

WASHINGTON, July 31.—The group of Senators who in the current parlance are referred to as "mild reservationists" conferred to-day in the effort to consolidate their forces and ideas and shape something like a programme for their guidance. This group is composed of Senators McCumber (N. D.), McNary (Ore.), Cummins (Ia.), Kellogg (Minn.), Lenroot (Wis.), Spencer (Mo.) and Colt (R. I.). They are all Republicans, all favor amendments, all are credited with the opinion that the treaty will have to be modified by reservations, and if modified to satisfy their various views will have to be ratified.

This group, though small, is regarded with much interest, because the close division of the Senate is calculated to make the demands even of a small group determinative of important results. Yesterday this same group held a conference and attempted to lay foundations for an agreement, and the meeting to-day was pursuant to that.

The treaty fight is this week drifting. Neither side nor any faction is prepared to attempt to force matters. The very enormity of the responsibility and the complexity of the factors are making Senators hesitate to come to grips with the final issues. The opposition is pleased with results of the President's campaign of personal appeals to Senators. In no place has he broken the line yet, and it is agreed on all hands that the net result of his conferences has been to impress distinctly the earnestness with which objections are entertained.

Notes Previously Exchanged.

Various notes exchanged between the United States and Great Britain on this subject have been brought up to sustain the American position. As a result there can be no blockade unless all countries, including the neutrals, put embargoes on goods and the Russian Bolsheviks will continue to get supplies.

Baron Makino took leave of his colleagues in the Big Five this afternoon and will start to Japan to-morrow. His departure leaves the Chinese situation exactly where it was, with interest concentrated for the moment in Washington and Tokio for an expected declaration.

As already indicated in THE SUN, if Tokio follows the advice of Makino there will be no declaration such as President Wilson desires. The situation developing here in the last few days is this:

First, the Japanese show unmistakably that they want the Chinese to sign the German treaty, for unless the Chinese sign Japan is placed technically in the position of taking Shantung and other German rights by force, even though President Wilson and other members of the Big Four sanctioned it. Also the Chinese boycott of Japanese goods is extending rapidly, causing fears that Japanese trade with China will be injured seriously.

Second, the Chinese here insist they will not sign the treaty unless Japan gives a pledge in writing, putting a definite time limit upon her occupation of Shantung.

Third, the Japanese in pourparlers with the Americans have stated that they have every intention of relinquishing Shantung within two years, yet have refused to make a public declaration to this effect to China or the world because it would be giving countenance to assertions that Japan could not be trusted.

Owing to the attitude of the American Republican Senators the French are beginning to take great interest in the Japanese situation, displaying sympathy with China, La Verite taking up the Japanese contention that it was they who induced China to enter the war. This is denied and the statement made that Japan always opposed China's entrance into the war on the ground that Japan's rights in Shantung would be jeopardized.

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SENATORS UNITE TO REVISE PACT

Mild Reservationists Meet Again to Arrange for Coordinated Action.

NEW FRANK WITH WILSON

Indiana Man Tells President He Is for America First; Gore Attacks League.

Special Despatch to THE SUN.

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Reservationists Not United.

Protagonists of the treaty, like Senator Hitchcock (Neb.), still insist that the opposition is divided among many plans and various amendments or reservations, and base their hope of success on the belief that there can never be agreement among the different plans of modification.

On the other hand the opposition asserts that the country is veering away from its earlier vague but very sincere approval of "some League of Nations." Letters from all parts of the country justify this opinion. There is indeed a very definite formulation of the demand that the treaty be rejected in its entirety. The most striking fact about this development is that this opinion is entertained by some men who early in the fight were looked upon as certain to support ratification.

Some of these men, of whom Norris (Neb.) is typical, now say that the treaty is so vicious, so fraught with future troubles for the world and undertakes such a wholesale distribution of empire and dominion, that it is entitled to a consideration quite aside from the League of Nations. It was pointedly intimated to-day in quarters where this kind of opinion is entertained that before long the fight would be forced into a new phase and become a struggle to defeat the treaty entirely and compel the negotiation of a less radical, world embracing, revolutionary instrument.

The "mild reservationists" represent support for four amendments or reservations having, so far as America is concerned, the force of amendment. These deal with immigration, tariffs and domestic questions. The Monroe Doctrine, withdrawal from the League, Article 10 and Shantung. The group of Senators conferring to-day are endeavoring to reach a common ground on which they can stand together.

Wilson Sees More Senators.

President Wilson continued his conversations with Senators regarding the treaty. He talked with Senator New (Ind.), who is commonly classified as a "hardboiled" opponent. Later the Senator said: "I told the President I would not vote for the league without reservations," said Senator New. "I also told him I did not want to give the impression I would vote for the league even with reservations because they must be of a kind that would protect the things I think need to be protected."

Senator New emphasized that the League of Nations is a contract about to be entered into by the nations, and that it is so indefinitely worded that many of the contracting parties are disagreeing about what it means. He told the President he was the league covenant could not be put through without reservations. The President replied that he was not at this time concerned about that point, but that he was trying to convince Senator New of the necessity of putting the league through without reservations, pointing out what he said were the dangers of a refusal by the United States to enter the league.

Senator New said he did not question the intention of the President to devise a means of preventing warfare in future. "What I do question," said Senator New, "is your method of arriving at a way of preventing warfare."

The President told Senator New that he really was not concerned so much about the proposed reservations of the Senate, but that he was concerned about the fact that if this country makes res-

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Cabinet Members and Heads of Government Agencies Confer With President to Find Relief From Present Charges

SALE OF WHEAT UNDER \$2.26 URGED

House Asked to Seize Extortions of Speculators by Tax—Probe of Shoe, Sugar, Coffee and Clothing Rates Sought in Resolutions

Special Despatch to THE SUN.

WASHINGTON, July 31.—Steps to meet the crisis which President Wilson is convinced faces the country because of the vastly increased cost of living were taken by the Administration here to-day. Heads of all governmental agencies having to do with prices on commodities, together with Cabinet members, were summoned to the White House for a conference concerning possible action to overcome the situation. The meetings will be continued, according to an official announcement, and it is hoped that a concrete plan will be devised to check profiteering and reduce food prices. The sale of surplus army food to the civilian population is to be pushed rapidly as one means of bettering the situation.

Coincident with President Wilson's action, Congress, aroused to the growing menace of unrest, inaugurated further attempts to batter down the high prices now charged for commodities. The special House committee to investigate army food supplies is to question Federal Trade Commission experts concerning the cost of production in many lines.

Many Investigations Planned.

Another resolution proposes the sale of the wheat crop to domestic consumers at the market price, rather than the \$2.26 guaranteed the farmers. A \$1,000,000,000 appropriation is called for to make up the deficit. The resolution, which was presented by Representative Fitzgerald of Massachusetts, also demands that food speculation on the exchanges be investigated.

Investigations of the prices of shoes, sugar, coffee and clothing are proposed, together with a searching probe into food profiteering and heavy taxes on profits made by dealers in commodities.

Michigan and Ohio joined forces to investigate the high food prices and cold storage plants in those States. In Chicago the retail price of milk jumped from 14 to 15 cents a quart and that of cream from 15 to 16 cents a half pint.

President Wilson and his advisers have become convinced that the nation is facing a serious domestic crisis as a result of the continued increase in living costs. As a result all of the Government interests having to do with prices or the phases of domestic economy entering into the price situation were summoned to a conference late to-day to devise means to meet the situation.

No Definite Action Taken.

Soon after an official announcement from the White House stated that the President was giving deep and very thoughtful consideration to food prices, Attorney-General Palmer, Secretary of the Treasury Glass, Secretary of Agriculture Houston, Secretary of Commerce Redfield, Secretary of Labor Wilson, Director-General Hines, Assistant Secretary of the Treasury Leffingwell and Federal Trade Commissioners Colver and Murdock gathered in the Attorney-General's office to discuss ways and means and formulate a definite plan of campaign to stop profiteering and bring down food prices. The conference adjourned without definite action to meet again in a few days.

At the same time the War Department was pushing plans for the sale of surplus army food to the civilian population. Just as soon as a price list is completed this food will be sold direct to consumers and delivered by parcel post. In addition it was announced by Assistant Secretary of War Crowell to-day that carload shipments would be sent to communities desiring them on virtually a credit basis. On the few carloads previously sold a city official had to obligate the city to take and pay for the entire carload in ten days.

Easy Terms for Sales.

In many municipalities charter provisions prevented obligation of the city and shipments could not be taken. Under the new plan carloads will be consigned to any official of standing in a municipality and a month will be given to sell the goods and make payments. Any unsold shipments can be returned to the War Department without payment.

Those who attended the conference in Attorney-General Palmer's office agreed to make no statement as to what transpired. It is understood that the conference was a preliminary one to consider the power of the various Government agencies represented to deal with conditions as they exist to-day.

Cabinet officers and others attending were in conference with the President by telephone before the meeting was called, and it is known they were instructed to devise carefully and to take every step possible to lower costs. Many suggestions were offered, but final action and the formulation of a

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